



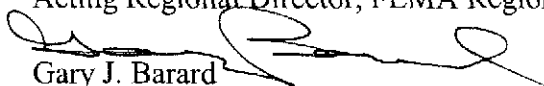
DEPARTMENT OF HOMELAND SECURITY

Office of Inspector General
Atlanta Field Office - Audit Division
3003 Chamblee Tucker Rd
Atlanta, GA 30341

September 29, 2003

MEMORANDUM

TO: Patricia Acuri
Acting Regional Director, FEMA Region III

FROM: Gary J. Barard 
Field Office Director

SUBJECT: Baltimore County, Maryland
FEMA Disaster No. 1324-DR-MD
Audit Report DA -30-03

The Office of Inspector General (OIG) audited public assistance funds awarded to Baltimore County, Maryland. The objective of the audit was to determine whether the County accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

The County received an award of \$1.2 million from the Maryland Emergency Management Agency, a FEMA grantee, for the emergency removal of snow and ice that resulted from a severe winter storm in January 2000. The award provided 75 percent FEMA funding for 3 large projects, as follows:

<u>Project Number</u>	<u>Amount Awarded</u>	<u>Amount Claimed</u>
90	\$ 424,825	\$ 424,825
91	251,630	251,630
126	565,716	565,716
Total	<u>\$1,242,171</u>	<u>\$1,242,171</u>

The audit covered the period January 2000 to May 2001. During this period, the County received \$931,629 of FEMA funds under the three projects.

The OIG performed the audit under the authority of the Inspector General Act of 1978, as amended, and according to generally accepted government auditing standards. The audit included tests of the County's accounting records, a judgmental sample of expenditures, and other auditing procedures considered necessary under the circumstances.

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RESULTS OF AUDIT

Except for excess material charges of \$53,068 (FEMA share \$39,801), the County properly accounted for and expended FEMA funds. The County claimed \$424,825 under Project 90 for salt used in the snow and ice removal operations. The claim was based on the use of 15,298 tons at a rate of \$27.77 per ton. However, the County's records supported the use of only 13,387 tons of salt, or 1,911 tons less than the amount claimed. Accordingly, the OIG questions the excess salt charges of \$53,068 (1,911 x \$27.77).

RECOMMENDATION

The OIG recommends that the Regional Director, in coordination with the grantee, disallow \$53,068 of questioned costs.

DISCUSSION WITH MANAGEMENT AND AUDIT FOLLOW-UP

The results of the audit were discussed with FEMA, grantee, and County officials on August 13, 2003. County officials concurred with the finding.

Please advise the Atlanta Field Office-Audit Division by October 29, 2003 of the actions taken to implement the OIG recommendation. Should you have any questions concerning this report, please contact David Kimble or me at (770) 220-5242.